



## Report on the internal investigation of undercover

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### operation

Hampton City Manager Mary Bunting today released the findings of the city's internal investigation into questions about whether city or police division policies were followed in spending travel/investigative funds in a special undercover operation targeting illegal trafficking of cigarettes.

The internal investigation began in June. It followed an external investigation by the State Police that did not result in any criminal charges but did find a lack of documentation for the use of approximately \$8,000 in travel/investigative funds.

Key conclusions from that report include:

- The operation was initiated by the federal Bureau of Alcohol, Tobacco, Firearms and Explosives, which solicited Hampton's involvement. Initial funds came from the proceeds of a cigarette operation in another Virginia jurisdiction involving the ATF – not from local funds.
- After Hampton officers found evidence of an ATF officer's illegal activity, the operation continued.
- Meetings between the Hampton police and the ATF to determine the future of the operation continued through Feb. 3, 2011.
- After it was clear that the ATF pulled out of the joint effort, the funds generated in the original operation remained in the operation account, and Hampton police continued the trafficking investigation under an agreement with the Hampton Commonwealth's Attorney's office.
- The Hampton Police Division adopted a policy for the operation that it copied from another Virginia locality's churning operation. The policy did not require documentation for expenditures as does the division's regular policies, which should have governed.
- The travel expenses were for legitimate law-enforcement purposes, and the majority of money that flowed through the account was for cigarette sales and purchases.
- For this operation, the police division's expense tracking practices were lax. Cash expenditures were not always documented as required by standard police division policy, and unspent cash issued for travel and investigative purposes was not collected.

Bunting noted that she was "shocked by the failure of those involved in this operation to follow normal HPD practices." She issued a series of recommendations that would ensure any future

operations that rely on “churned” funds (which are monies generated by the investigation itself) are legally authorized, are subject to appropriate advance scrutiny and follow the same rules as other police operations.

Bunting also noted that the City was put in a difficult position on this issue: “If we hold off releasing information, we are told we are not forthcoming enough, but if we share partial or unconfirmed details before a thorough investigation is completed, we run the risk of providing inaccurate information and then are labeled as not being transparent.”

Finally, she noted: “It is my hope that the public will learn through this process that we are an accountable organization – that we apply appropriate levels of scrutiny to ourselves when necessary and that we are committed to constant improvement. No organization or individual is perfect. We cannot expect our public organizations or those who serve in them to never make mistakes. What we can expect – and do here in Hampton – is that we conduct ourselves with integrity, transparency at the appropriate times and with a willingness to learn from our mistakes when they do occur.”

Read Bunting’s complete [statement](#) or watch a video [online](#).  
Read more detailed findings of the city’s internal [investigation](#).